

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATURE 3rd CALLED SESSION - 2006**

**May 12, 2006**

**TO:** Honorable David Dewhurst , Lieutenant Governor, Senate  
Honorable Tom Craddick, Speaker of the House, House of Representatives

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB2** by Pitts (Relating to the allocation of certain revenue from franchise taxes, motor vehicle sales and use taxes, and taxes on cigarettes and other tobacco products to school district property tax relief and public education.), **Conference Committee Report**

The allocation of revenues cannot be determined at this time.
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The bill would amend various provisions in the Government Code and Tax Code to allocate certain tax revenues to provide property tax relief.

The bill would amend Chapter 403 of the Government Code to create the Property Tax Relief Fund.

The bill would amend Chapter 171 of the Tax Code to allow for distribution of certain franchise tax revenues.

The bill would amend Chapter 152 of the Tax Code to allow for distribution of certain motor vehicle sales and use tax revenues.

The bill would amend Chapter 154 of the Tax Code to allow for distribution of certain cigarette tax revenues.

The bill would amend Chapter 155 of the Tax Code to allow for distribution of certain tobacco products tax revenues.

The bill would take effect September 1, 2006.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, WP, SD